

**MINUTES
ST. CLAIR SHORES CITY COUNCIL MEETING
March 5, 2012**

Regular Meeting of the City Council, held in the Council Chambers, located at 27600 Jefferson Circle Dr., St. Clair Shores, Michigan.

Present: Mayor Walby, Council Members Caron, Frederick, Rubino, Tiseo, and Vitale

Absent: Council Member Rusie

Also Present: City Manager Hughes, City Clerk Kotowski, Community Service Director Rayes, and City Attorney Ihrle

1. CALL TO ORDER, ROLL CALL AND PLEDGE OF ALLEGIANCE

Mayor Walby called the meeting to order at 7:00 p.m. Ms. Kotowski, City Clerk, called the roll. A quorum was present. Ms. Kotowski noted Ms. Rusie asked to be excused.

Motion by Frederick, seconded by Tiseo to excuse Council Member Rusie.

Ayes: All – 6

Absent: Rusie

The Pledge of Allegiance was said by all.

Mayor Walby announced that agenda item #7 has been removed from the agenda by the petitioner.

2. PROCLAMATIONS & PRESENTATIONS - NONE

**3. AUDIENCE PARTICIPATION ON AGENDA ITEMS (2 minute time limit)
[Submit form to City Clerk prior to start of meeting]**

Jim Goodfellow, St. Clair Shores Resident, spoke regarding items #12 and #5. On item #12, he would like to have seen the address of the home listed on the agenda. On item #5, he suggested some buildings that are currently available in St. Clair Shores that should be considered which are smaller and would cost less than the estimated \$3.7 million to fix up the old building.

Lori-Ann Rickard, St. Clair Shores Property Owner, spoke regarding item #11c. She is a health care attorney who represents people in the EMS industry and also represents AccuMed. Today she delivered a FOIA request to the City regarding a bid request for the ambulance billing RFP on this agenda as well as an itemized letter detailing what they believe are specific improprieties. The proposal being presented detailed 9 bids that were opened and the last bid brought in after the opening occurred. To award this bid will cost the City a \$40,000 penalty under their current contract which is not detailed in the proposal submitted. Parastar is actually being allowed to present two bids.

Thomas Gerhardstein, St. Clair Shores Resident, spoke regarding item #8. He would like to speak against allowing alternative energy suppliers to canvas the City. He received a mailing from a similar company, and he feels that is the appropriate way for people to advertise in this City or use the paper that comes in the mail each week. Make sure these solicitors respect the no soliciting signs posted at homes and at his apartment complex.

James Kelly, St. Clair Shores Resident, spoke regarding item #8. He stated that the City should look at this request very closely before approving it. Solicitors from Direct Energy will not leave even after you tell them you are not interested, they are very pushy. Elderly people in this City do not want to answer their doors. The Direct Energy solicitors did not have their permit on them and said it was kept in their truck.

4. SWAP OF CITY LOT AT 22008 BON BRAE WITH MACOMB COUNTY HABITAT FOR HUMANITY LOT AT 20328 YALE

Mr. Hughes summarized that Habitat for Humanity would like to construct its first project in St. Clair Shores. The project that they are proposing involves relocating an existing structure 22576 Ardmore to a vacant site at 22008 Bon Brae (this property was acquired by SCS through the \$1 HUD Program). Habitat for Humanity would like to trade us a lot they currently own at 20328 Yale so that they would not have to move the home as far. The Yale site is a vacant parcel. The home that was there exploded a couple of years ago due to a gas leak and the property was donated to

Item 4 Cont'd:

Habitat for Humanity. The project will bring additional property tax from the new home on Ardmore and the property on Bon Brae as well as the City gaining a replacement parcel in a desirable block of Yale that we can eventually sell for development.

Karan Bates-Gasior, Habitat for Humanity Director of Strategic Programs, explained that the main reason for requesting to exchange lots is so that they would not have to move the home as far therefore it would be much less expensive to make the move. Mr. Caron asked what it costs to move a house like that. Ms. Bates-Gasior estimated \$8,000 to \$10,000 depending on the permits needed.

Mayor Walby asked when this would be done. Ms. Bates-Gasior explained that it would probably be done this summer once the permits, finances and utilities are in order.

Mr. Caron expressed his concern about moving a house off of Ardmore with the challenges of a boulevard, bushes, signs and the street being totally cut off during the move. Ms. Bates-Gasior agreed that it will be a challenge because of the boulevard but it can be done. She said that the last home they moved quite a bit further and it took less than one day.

Mr. Caron asked if Habitat for Humanity had any concerns regarding the PCB issue on Bon Brae and wanted to know if the buyer would be made aware of the issue. Ms. Bates-Gasior said that she was unaware of the PCB issue. They have done homes in challenged areas before, and this issue is not insurmountable.

Mr. Caron stated that the realtor who is donating the house has done a lot of business with the City and stands to gain a lot. This is not really such a great deal for Habitat for Humanity. Moving off of Ardmore and moving on to Bon Brae and Bon Heur will be a challenge as well. He is not in favor of this.

Mayor Walby asked if the sign on the boulevard will be put back as it was. Ms. Bates-Gasior assured him that everything would be put back as it was.

Mayor Walby asked how fast these properties usually turn around and if the people are given the property. Ms. Bates-Gasior said that if they do not have someone then they sell the homes, they do not give the homes to a qualified person. The timing is always different. It depends on how long the purchasers are in the program. They do have a family in mind so it could be turned around as soon as it is ready. It would not sit vacant.

Mr. Tiseo stated that this is from the \$1 HUD. This is a win-win situation. The City would gain a nice piece of property on Yale. He did not think that the person who does business with the City has a lot to gain from this. The house is being donated. The people who participate in Habitat for Humanity would normally have a hard time getting into a home. Ms. Bates-Gasior said that they usually do not qualify for a conventional mortgage.

Mr. Vitale agreed that this is a win-win for the City. A nice lot on Yale, a brick home in an area that is not all brick. He asked if there will be a garage. Ms. Bates-Gasior said that there will not be a garage unless they get a lot of money donated to do that. She did guarantee there will at least be a shed.

Mr. Vitale asked how far back the drive would go. Ms. Bates-Gasior explained that it would go behind the house so that several cars can park in the driveway.

Mr. Vitale asked if the movers they will be using are bonded. Ms. Bates-Gasior told him they would be bonded and insured.

Mr. Rubino agreed the City is getting a better piece of property. He asked if the ordinance requires a shed or garage when you build. Mr. Rayes said that it does not.

Motion by Rubino, seconded by Frederick to approve a request to swap a City lot, at 22008 Bon Brae, with Macomb County Habitat for Humanity lot, at 20328 Yale.

Ayes: Frederick, Rubino, Tiseo, Vitale and Walby
Nay: Caron
Absent: Rusie

5. REQUEST TO APPROVE CONTRACTUAL ARCHITECTURAL SERVICES FOR THE 40th DISTRICT COURT PROJECT

Mr. Hughes highlighted the request to approve contractual architectural services for the 40th District Court explaining that last year Mayor Hison had assembled a group of 7 people to look at the current 40th District Court building and make recommendations. These results were presented at a City Council meeting in October 2011, and a decision was made to wait for the new City Council members before taking action.

Project Staff invited four architectural firms to submit proposals to provide professional services for the proposed renovation/expansion or replacement of the 40th District Court. The four firms that submitted proposals were Partners in Architecture (Mt. Clemens), Redstone Associates (Bloomfield Hills), French Associates (Rochester) and Stucky Vitale/Wigen Tincknell Meyer & Associates (Royal Oak). The four firms were interviewed on January 9, 2012 by the five person committee, established by Mayor Walby, which was comprised of Ms. Rusie, Mr. Rubino, Judge Fratarcangeli, Mr. Rayes and Mr. Hughes.

Upon the completion of the interviews, the committee decided to bring back the firms of French Associates and Stucky Vitale/Wigen Tincknell Meyer & Associates for a second interview on February 3, 2012. The committee discussed each firm's experience and fee proposal. The committee reconvened on February 10, 2012 and unanimously decided to recommend the team of Stucky Vitale/Wigen Tincknell Meyer & Associates.

Mr. Hughes explained that the fee structure is set up as a Phase I (\$38,000) and Phase II proposal. If Council directs staff to proceed with the recommendation, Phase I will allow the firm to finalize the space, program needs, provide a final floor plan, elevation, site plan and a refined construction estimate. Once this Phase is complete, staff will report to Council as to whether the project, as proposed, will be within the established budget. Anticipating that the project will be within budget, staff will request to proceed with construction documents and bidding of the project. If the project cannot meet the established budget parameters, the contract will end at the end of Phase I with no other obligation to the architect than the fee for Phase I (\$38,000).

Mr. Hughes said that they have identified \$1.7 million which is in a court building fund which has been accruing from a \$5 surcharge imposed on all motor violations. If the Phase I \$38,000 is approved tonight it will come out of that fund and not the general fund.

Mayor Walby stated that we are working on the budget for 2012/13. We need to find \$2.7 million to come close to balancing our budget, and this has him concerned about building the court. He asked if this money collected from tickets and put in the court building fund can be used to pay salaries or is this money specifically for the court. Mr. Ihrie stated that this money is not for general operations, it is to be used specifically for the court.

Mr. Vitale disclosed that he is no relation to Stucky Vitale/Wigen Tincknell Meyer & Associates. He asked how many sites were considered beyond the current site at 11 Mile and Jefferson. He suggested looking at some of the many buildings around the City left vacant by obsolete businesses. It would be a good opportunity to redevelop. Take the building fund and buy a new property and sell the current property.

Mr. Hughes said that in 2011 they considered using the Civic Center, a possible Archdiocese church, and the Wheat Office Building (NGS building).

Mr. Vitale pointed out that he is against this project. He has seen the building and concedes that the areas not seen by the public are obsolete. He does think there are work-arounds available that should be used. The \$38,000 in development would pay for four years of offsite storage and an offsite probation department. We should consider moving it to a less valuable property and do the police and court at the same time.

He is concerned that we have eight bond scenarios in the budget and only two are revenue neutral. The others all take money out of the general fund.

Mayor Walby agreed that this should be made revenue neutral.

Mr. Caron said that he reviewed the past history of the money in the ticket fund. His concern is that with the \$75,000 rent that goes back to the City these numbers are cutting it close. He wanted to know what the scenario would be if revenue falls short, who will pay the bond payment.

Mayor Walby said that the general fund would have to subsidize that. Mr. Hughes said we would continue to have a landlord/tenant relationship with the court.

Item 5 Cont'd:

Mr. Caron asked if this fee is capped at \$5 or could it be raised. Mr. Hughes said that he believes that the state caps it at \$5, but he will verify that.

Mr. Caron asked when we will know the costs associated with relocating the court during the construction period if it is built at the current site and how we will account for that. Mayor Walby explained that is the type of information that we will obtain from the architectural firm during Phase I.

Mr. Rubino said the key is that the court building is in bad shape. He asked if there are air quality issues. Mr. Rayes said that there have been air quality issues with mold which was behind the paneling in the court room and other areas, and these issues were addressed years ago. There have been other complaints since then. It is generally the age of the building which is the cause of the problems.

Mr. Rubino stated that this building needs to be upgraded. He asked if these Phase I plans could be used at a different location. Mr. Rayes said theoretically they could be.

Mr. Rubino agreed that this needs to be revenue neutral and probably even more conservative. We will need to take this first step to know, and these plans we receive will be good forever.

Mr. Vitale asked if the current scenario is to build the court at the west end of the property and continue operating at the east end and then swap. Mr. Rayes stated that this needs to be determined. It sounds easier than it is, and there will be cost implications associated with doing that. The court cannot operate without the parking. The reason why we have brought in professionals is because of the considerable challenges associated with using that site.

Mr. Walby pointed out that this is the third time we have looked at doing something about the court building since he has been here.

Mr. Hughes explained that there is an antiquated HVAC system. As the landlord, we have been reluctant to fix some major issues in this building since it is up for possible demolition. If Council decides not to move forward with a new building, we would have to look into doing significant repairs. The building was built in 1937-38, and it is showing its age. He said that any future postponement would lead to major expenses we have been trying to avoid.

Mr. Frederick said that the heating system in the court building is made up of residential furnaces. The staff has to go outside to look at files in a container. The conditions are horrible. People and possible felons walk through the area where the secretary sits and can see other people's sensitive information as they go through. We have patched the building, and it is time to go forward to see what the costs of a new building will be. He agreed that it does have to be revenue neutral.

Mr. Tiseo agreed that it should be conservative more than revenue neutral and that we will not know unless we do the study.

Mr. Vitale said that the \$38,000 would probably allow us to update the HVAC and would pay four years of rent to move probation out of that building. He would be in favor of a new building such as a combined justice building.

Mr. Rayes said that the results of Phase I will be available in no greater than 10 weeks.

Mr. Hughes said that staff will consider looking for other possible locations for this building.

Mayor Walby clarified that this Phase I would provide Council with the cost to construct another facility at the current location and provide us the cost that would encompass all costs associated with this.

Motion by Rubino, seconded by Frederick to approve Phase I request to approve contractual architectural services for the 40th District Court project, to Stucky Vitale/Wigen Tincknell Meyer & Associates, in the amount of \$38,000, for Phase I to be funded through the Court Building Fund.

Ayes: Caron, Frederick, Rubino, Tiseo and Walby
Nay: Vitale
Absent: Rusie

6. REQUEST FROM PAT O'BRIEN'S IRISH TAVERN FOR APPROVAL TO HOLD A ST. PATRICK'S DAY PARTY ON MARCH 17, 2012 FROM 7:00 A.M. TO 12:00 A.M. (rescheduled from 2/21/12)

Richard Kohl, Pat O'Brien's Irish Tavern representative, spoke regarding his request for a Special Event permit for Pat O'Brien's Tavern, 22385 10 Mile Road, to hold a St. Patrick's Day Party on March 17, 2012 from 7:00 a.m. to 12:00 am with an outside tent and entertainment ending at midnight. This is their annual request for the event. St. Patrick's Day is a Saturday this year. They are requesting a 7 a.m. tent opening because it is the only entrance to the bar. Entertainment in the tent will not start until 10 a.m. and will end at midnight when people will be directed from the tent into the building. Everything is the same as years past except that the tent will be 20 feet longer toward the barber which will extend into the parking lot. This is okay with the barber. There will be 18 security people and one extra manager this year. They will not be using the tent on Friday as this is a set up date only.

Mayor Walby asked if they will be using the Gourmet parking lot. Mr. Kohl explained that they do not plan on using that lot even though they have permission to do so if needed. They have professional parking employees. They will be roping off the Rosemary side and the two driveways off of Jefferson and telling people where to park.

Mr. Frederick said that they did a great job with the parking last year.

Motion by Frederick, seconded by Rubino to approve the Request from Pat O'Brien's Tavern, 22385 10 Mile Road, to hold St. Patrick's Day Party Event on March 17, 2012 from 7 am – 12 am, with outside tent, being constructed on Friday, and entertainment starting at 10 a.m. Saturday and ending at midnight, subject to meeting condition as noted by the Fire Marshall.

Ayes: All – 6

Absent: Rusie

~~7. REQUEST FROM BARDHOK MARKAJ FOR A NEW 2012 CLASS C LICENSED BUSINESS CHARLIE'S RESTAURANT, EDRIC LLC, LOCATED AT 22315 HARPER AVE., ST. CLAIR SHORES, MI 48080, MACOMB COUNTY, MICHIGAN~~

8. REQUEST FROM MY CHOICE ENERGY TO SOLICIT DOOR TO DOOR FROM 3/7/12 TO 4/7/12

Chris Pickering, My Choice Energy representative, has come before Council because this is a first time request from My Choice Energy, and City Council policy is that all first time events are approved by Council.

Mr. Pickering stated that they do respect and honor the wishes of the residents. They are not looking to go into any private communities. If there are no soliciting signs, they will not go there. They have been in business 65 years. This is a family-owned business, and they are protective of their name. They badge their employees and do background checks. They are asking for one person that lives in St. Clair Shores to solicit for one month.

Mayor Walby asked Mr. Ihrle if they have to honor a no soliciting sign. Mr. Ihrle stated that they do have to honor those signs. If the building association has voted and agrees with that policy, it needs to be followed. If there is any non-compliance or violations, residents are encouraged to contact the police department to make a report to be addressed with the petitioner.

Mayor Walby asked if the employee from My Choice Energy has to wear identification and have a permit. Mr. Ihrle said that it is not required by law but it is a requirement that Council policy set a long time ago. Mr. Pickering said that it is required of all people soliciting for energy companies to wear identification.

Mayor Walby said that he does not like the door-to-door soliciting and that the residents of our City find it unsettling. Mr. Pickering said that they are respectful, and if someone says "no thank you" then they leave.

Mayor Walby asked Mr. Ihrle if we have to allow them to solicit, and Mr. Ihrle stated that we have to let them solicit but we can regulate them.

Mr. Tiseo asked for a definition of solicitation and asked if they could leave a flyer at the door of a house that has a no soliciting sticker. Mr. Ihrle explained that soliciting is selling and that they can include a flyer. He will research if they can leave a flyer at a no soliciting household.

Mr. Pickering explained that they have literature and all they are doing is offering people a choice as well as a savings on their energy. If they cannot offer a savings then they just move on. If someone is with Consumer's Energy they are at an estimate of 6.1 for March, and the My Choice Energy price is 4.37 for March. If the resident already has alternative energy then they move on.

Item 8 Cont'd:

Mr. Rubino asked if the Council always votes on solicitors. Mayor Walby explained that the protocol has been to have them go in front of Council their first time.

Mr. Rubino questioned what we do to hold these companies accountable. He does not think we should hold it against other companies because some solicitors are not following the rules. We should be tougher on those that do not follow the rules.

Mr. Caron asked them to make sure that they do not bother the condominiums that have no soliciting posted, to not be pushy if people are not interested and to stop soliciting at dusk.

Mr. Vitale asked why door-to-door sales have been so popular for gas companies. Mr. Pickering explained that it is because it is the personal approach. The literature gets attention, but face to face you can explain deregulations and the variables.

Mr. Vitale asked if we can restrict them from asking to see people's bills. Mr. Ihrie said that we do not have the authority to restrict that. It is free speech. They have the right to ask but they cannot push.

Mr. Pickering said that they are selective. If the people do not understand then they are going to cancel anyway. They are looking for a long-term customer. It is not worth their time and effort if someone cancels right away.

Mr. Frederick asked what the sales pitch is.

Kevin Lee, My Choice Energy representative, gave a brief description of his sales pitch. He is with My Choice Energy which is a family-owned business with 11,000 customers. He explains that it is alternative energy and how much savings they can realize. They guarantee this rate for two winters. They fill out a form which does require the resident's current account information. The resident will receive a call right away, and they are informed that they will have 30 days to change their mind.

Motion by Rubino, seconded by Caron to allow Kevin Lee, My Choice Energy, to solicit door to door from 3/7/2012 to 4/7/2012 to end soliciting each day by dusk.

Ayes: All – 6

Absent: Rusie

9. REQUEST FROM FIRE DEPARTMENT TO ACCEPT TWO GRANTS FROM THE FEDERAL EMERGENCY MANAGEMENT AUTHORITY (FEMA) WITH MATCHING FUNDS

Mr. Hughes explained that the St. Clair Shores Fire Dept. has been awarded an Assistance to Firefighter Grant (AFG) through the Dept. of Homeland Security to purchase new Air Paks. The RFP for the requested equipment will be placed on MITN with Council's approval and matching funds. The Department of Homeland Security has awarded us this grant in the amount of \$112,805 with the one requirement that City match \$28,201 for a total of \$141,006. The money will be used exclusively to purchase self contained breathing apparatuses (oxygen tanks) for our fire fighters. Our inventory is aging. We think that this is a wise investment to defray a future expense. As City Manager, he does endorse this request.

Chief Morehouse explained that in August/September they finalized and submitted for this grant. The federal funding has been significantly reduced so for us to be successful in receiving this grant was a great return for the hard work our guys put into it. Our packs are becoming ancient. They had put a high priority on the grant cycle for equipment that was compliant with the Year 2002 NFPA standard 1981 which is relevant to the maintenance and what is in the packs.

Mr. Vitale asked if all of our packs are at the end of their lifecycle and what will happen to the packs that are replaced which are not quite at the end of their life cycle.

Chief Morehouse said that the DOT regulates the afterlife. If they do not meet the standard, they have to be disposed of. If they are still of use, they will be donated toward a department that is under hardship.

Mr. Rubino asked what is the life cycle of a pack.

Chief Morehouse said some of our packs are from 1986 and they will obviously be destroyed because they cannot be utilized.

Item 9 Cont'd:

Mr. Hughes asked what the industry standards are. Chief Morehouse said 15 years for the boxes. The packs vary depending on the standards once they are evaluated. Safety devices will need to be built in so if a firefighter gets trapped he can hook up another bottle and get more air. 2002 was the last time the standard was changed.

Mr. Caron commented about the SCBA line item in their budget, we still have \$4,600 left of that which would come off of the \$28,000 match. Mr. Morehouse said that is money that they would have utilized for their equipment.

Mr. Frederick asked how many packs we have. Chief Morehouse explained that the Fire Department has 41 SCBA packs. Only 17 of the SCBA packs meet NFPA specifications. Another 17 can be upgraded at a lesser cost. Our current packs have about 30 minutes use time which is actually 15-20 minutes in heavy usage, and the new packs are rated at 45 minutes so we will be getting double the life usage out of the bottle.

Mr. Hughes said that there will be a second grant announced pending some additional information that he is waiting on.

Motion by Frederick, seconded by Caron to approve the purchase of new SCBA Paks for \$141,006 by accepting an AFG grant in the amount of \$112,805 with a 20 percent City match of \$28,201 for the Fire Department.

Ayes: All – 6
Absent: Rusie

10. REQUEST FROM TWO COUNCIL MEMBERS FOR THE REVIEW OF ORDINANCE 15.500 SEC. 35.73 (3) OFF STREET PARKING REQUIREMENTS – RECREATIONAL VEHICLE STORAGE

Mr. Hughes explained that there were citizens that brought this concern to the attention of various Council members which led to this request to review the ordinance. This proposed language is to clarify the existing recreational vehicle storage ordinance, which will allow property owners to have an established time frame for loading and unloading their recreational vehicle that do not meet ordinance requirements for storage on their property.

Mayor Walby asked if item B on the first page is the only change. Mr. Rayes said that is correct. They have added 36 hours for loading and unloading which should be ample time.

Mr. Ihrie said that ordinances are difficult to write. This language will only deal with residents and someone who does not have the required setback space. This does not address what a trip is, and it does not require an actual trip, it only says a planned trip. This may sound like lawyer talk, but this is the kind of language that can be tricky.

Mayor Walby asked Mr. Ihrie if the wording should be revised. Mr. Ihrie said that it should because it would be difficult to define and enforce this as written.

Mr. Rubino asked if they could word it as no more than 72 hours in a 7 day period.

Mr. Vitale asked if we would still have to define a trip. Mr. Ihrie said that the 72 hours in a 7 day period should serve the purpose.

Mr. Frederick asked for clarification on where they would be able to park this vehicle.

Mayor Walby recommended that they let Mr. Ihrie and Mr. Rayes revise this by March 19 but no later than April 2 and bring it back to Council then.

Motion by Frederick, seconded by Rubino to TABLE a request to approve proposed language regarding 15.500 Off Street Parking Requirements ordinance March 19 or April 2 but no later.

Ayes: All – 6
Absent: Rusie

11. BIDS/CONTRACTS/PURCHASE ORDERS –

- a. **Award Bids from the Energy Efficiency Grants for Civic Center Pump Motor and Water Heater Replacement (bid opened 2/14/2012) tabled item 2/21/12**

Item 11a Cont'd.:

Mr. Rayes was joined by Gina Rheaume of the Civic Area. He explained that as part of the Energy Efficiency and Conservation Block Grant Improvements, on February 14, 2012, the City received three bids for the replacement of the Civic Center Pump Motor and Water Heater in the Garden Arena. The proposals were sent to 270 companies, they were reviewed by 22 companies. The low bidder was William E. Walter, Inc., in the amount of \$50,487 and Alternate 2, at unit prices. He directed everyone to look at some slides.

We currently have issues with the hot water tank which leaks on the transformer. In the Gardens there are issues with the boiler and the storage tank. One tank inside the electrical room is all rusted out. The storage tanks will be replaced with hot water tanks in lieu of the boiler. There will be two pump motors replaced. The pump room

in Olympia is the other pump motor that will be replaced (alternate in the submitted proposal). There was some alternate work they are asking to be approved such as flush valve and shower head aeration as well as some water conservations work at the arena.

Mr. Caron asked if we are replacing the alternate motor mentioned and, if so, the amount will actually be the \$54,093. Mr. Rayes said that was correct as indicated in the letter from AEW.

Mr. Caron asked if they are going to determine the different fixtures that will be replaced as part of the bid. Mr. Rayes said that they used the number of 10 units. They will go up as far as they can with the money they have. The rest of the grant money will be used toward the arena.

Mr. Caron asked for the efficiencies from the engineering firm. Mr. Rayes did not have that information with him, but he will forward it to Council. He added that the boiler has to be inspected by the State every year and we will eliminate those costs by replacing it with a water heater. The pump will have electrical savings as well.

Mr. Frederick asked if there is any kind of warranty. Mr. Rayes stated there is a one year warranty on the motors. He will forward Council that information from the manufacturer.

Motion by Caron, seconded by Rubino to approve a request to award the bid for Civic Center Pump Motor and Water Heater replacement, to William E. Walter, Inc., in the amount of \$54,039 and Alternate 2, at unit prices, the low qualified bidder.

Ayes: All – 6
Absent: Rusie

b. Award bid for 2012 Concrete Pavement Repair (bid opened 2/21/2012)

Mr. Rayes explained that on February 21, 2012, the City received bids for the 2012-14 Concrete Pavement Repair Program. For Divisions "A" and "D", the low bidder was C&L Enterprizes, in the base bid amount of \$461,576.50 for the first year of the 2012-14 Concrete Pavement Repair Program, Divisions "B," "C" and "E", the low bidder was C&L Enterprizes, in the base bid amount of \$312,699.50. Staff is requesting the contracts be awarded for the base bids only, with the ability to extend the contracts in years 2 and 3 if work and quality is acceptable in year one. The bid went out to 557 companies, it was reviewed by 37 and 9 bids were received. We received background information from AEW, and we are comfortable with recommending C&L.

Mayor Walby asked if they have municipality experience. Mr. Rayes explained that they have done other work in the City as subcontractors to road construction projects.

Mayor Walby asked what the timing is on this project. Mr. Rayes said that we put language in this specification that they have to come in by mid-July and complete by mid-October.

Mayor Walby asked if there is a penalty if they do not. Mr. Rayes said there is a penalty provision.

Mr. Hughes stated that this does represent a change to some of the companies that will be doing work in our City.

Mr. Caron asked Mr. Rayes to explain the difference between the divisions.

Mr. Rayes broke it down as A is money from the local road millage that is used to rebuild the roads, a portion is kept for patching City wide; B ACT 51 water board repairs; C storm sewer repairs; E sanitary and D storm/catch basin.

Item 11b Cont'd:

Mr. Caron asked which streets are targeted for repair this year. Mr. Rayes listed Brys from Harper to Old 8 Mile Road; Wood Street from Paloma to 10 Mile Road; the block of Taylor that was going to be done last year; Cubberness north of 10 Mile Road to Statler (block grant street); and L'Anse by Roger's School.

Mr. Hughes said that these streets were chosen based on independent engineering advice that we get based on the conditions of our roads.

Mr. Rubino asked if they will be held accountable for any cracking etc. Mr. Rayes said that they will be held accountable for two years.

Motion by Caron, seconded by Frederick to approve a request to award the 2012-14 Concrete Pavement Repair Program, Divisions "A" and "D," to C&L Enterprizes, in the base bid amount of \$461,576.50, and the 2012-14 Concrete Pavement Repair Program, Divisions "B," "C" and "E," to C&L Enterprizes, in the base bid amount of \$312,699.50 for one year and review based on performance to extend the contracts in years two and three.

Ayes: All – 6

Absent: Rusie

c. Award RFP for Ambulance Billing Services (RFP opened 1/31/2012)

The request for an RFP to provide Ambulance Billing Services for the City was placed on MITN with the bid opening on January 31, 2012. There were 9 bids received and opened on that day. The Oakland County Consortium bid documents were also included giving us 10 RFPs to review. Twenty-four companies viewed our RFP on the MITN site. Specific criteria from each bidder was evaluated and compared to make a recommendation to City Council for the awarding of a contract:

- Billing fee
- Billing fee with hardware
- Data collection fee
- Contract term
- Past collection rate
- Years in business
- Number of employees

Based on the review and evaluation of each RFP, the Oakland County Consortium ambulance billing company, Parastar, located in Southfield, Michigan, appears to be best suited and the most cost effective selection. Parastar provides the Oakland County Consortium (Farmington Hills, Northville Twp., Redford, Independence Twp., Livonia and West Bloomfield) with the lowest billing fee, 5.8 percent of collectables. The advantage of joining the consortium is that the billing fees will decrease during the term of the contract if additional jurisdictions join.

Mr. Hughes explained that in 2011 we went out for RFPs for the service that we procure that provides for billing for ambulance runs. The firm that provides this service is not paid from the general fund, it is reimbursed based on the billings that they collect. Given circumstances that Chief Morehouse outlined in his correspondence to Council, we needed to go out for an RFP which was done.

Chief Morehouse stated that in December 2011 they had a meeting to look at this contract. They found out that there were two contracts that did not have consecutive ending dates. One was for the billing service which we are here for today which expires 12/31/2011 with a continuation clause so we are still under that contract. The contract expiring April 2014 is for data collection. Data that is transmitted to AccuMed through the internet for processing. We created an RFP and put it out on MITN. We received 9 bids with the 10th being the consortium bid. There were 24 companies that reviewed our proposal, and approximately 500 companies received it.

Mayor Walby asked how we received the Oakland County Consortium bid.

Chief Morehouse explained that we already utilize the Consortium for buying our medical supplies. The benefit is that they buy in bulk which lowers prices. This bid was no different than when we bid to purchase vehicles, you get the Oakland County bid and the Macomb County bid. They are done with a package through the bid process and create the RFP.

Item 11c Cont'd:

Mayor Walby asked if the Consortium had already bid. Chief Morehouse said that they had already bid. This is a three-year contract with the one year already in use. We would become part of that bid already one year into the contract.

Mayor Walby asked if they had met the timeline, and Chief Morehouse said that they had.

Mayor Walby asked if we are guaranteed 5.8 percent. Chief Morehouse said that per his conversation with the EMS Coordinator from Farmington Hills it is at 5.8 percent right now even before we join the contract. There are other communities that are in the process of joining which will drive the fee down. They have a gradient scale for their fees which is based on the number of bills processed per month.

Mayor Walby asked about the penalty we will be charged. Chief Morehouse explained that we will have to pay a penalty on the contract to AccuMed for data collection good through 2014. The penalty is less than the savings based on the fee difference. Over the two years we will recoup the \$32,000 as well as the annual fee for the licensing on the computers.

Mayor Walby asked Mr. Ihrie if we have concerns regarding the bid process.

Mr. Ihrie said that the City did receive a letter from Ms. Rickard, AccuMed's legal counsel, at 4:28 p.m. today just before the office closed. This was given to Mike Smith who then contacted him. He quickly read the letter just before the meeting started, and it had to do with the bid process. He spoke with Ms. Kotowski regarding the bid process, and she indicated that the consortium bid was brought in and read at the same time the other bids were read. There was not opportunity for someone to find out the bid amounts and then put a bid in after. He pointed out that the Court of Appeals of the State of Michigan states the bid process is not intended to benefit a particular bidder, it is meant to protect the municipality or government entity. His conversation with Ms. Kotowski leads him to believe that even if there were some minimal procedural irregularities they were not material in nature. Even if we were to throw out the low bid AccuMed was not the next lowest bidder. We also would have the right to completely throw out all the bids and have this rebid. After checking into the procedure that was used, he is satisfied that the most important factor was fulfilled which is that the integrity of the bid process was maintained. He does not have any problem recommending this under the umbrella of a bid process that was satisfactory in terms of both its procedure and its protection of the City should Council decide to move forward.

Mr. Hughes stated that we do take the integrity of our bid process seriously. We know that our ability to attract quality firms and applications rests almost entirely upon how we are viewed as being fair. We had a meeting with the AccuMed Vice President to seek terms of a renewal. We respect AccuMed, but based on finances and various parts including percentage of reimbursement we recommend awarding to the consortium.

Mr. Rubino asked where we are making up the \$40,000. Chief Morehouse said that it will be the percentage of the bid over the next lowest bidder over the next two years.

Mr. Hughes mentioned that since we are now running three ambulances every day of the week the importance of revenue for our City collected through ambulances is even greater. We promised \$200,000 revenue over last year and we are going to meet that promise.

Mr. Rubino asked if there is a chance that our rate could go down over the next two years. Chief Morehouse said that is correct. By participating in the consortium the threshold works to our benefit. If we cross over 2,500 the percentage goes down to 5.6 percent.

Mr. Frederick asked if being part of the consortium counts toward what the Governor has asked us to do in terms of revenue share. Mr. Hughes will check into that.

Mr. Frederick said that AccuMed has been charging us 8 percent for a long time and in 2008 when everybody went through a reset they did not drop that down.

Motion by Frederick, seconded by Rubino to award the bid for the City's ambulance billing service to Parastar, from the Oakland County Consortium bid for ambulance billing, for two years with a service fee of 5.8 percent or lower.

Ayes: All – 6

Absent: Rusie

Item 11 Cont'd.:**d. Award bid for Professional Fireworks Display Services (bid opened 12/20/2011)**

Mr. Mehl, Parks & Recreation Department, explained that the Activities Committee decided to get proposals for the 2012 fireworks display. The Parks & Recreation administrative team and Mr. Smith, Assistant City Manager, put together a proposal to submit. Five vendors bid on this proposal which was opened on 12/20/11. Members of a five person panel including Mr. Mehl, Mr. Smith, Mr. Esler, Mr. Caron and Mrs. Antushevich, Activities Committee Chair, reviewed the proposals, and they decided they would schedule another meeting to interview four of the vendors. They requested a 25-30 minute video with approximately \$23,500 worth of fireworks. The panel decided they would like music added to the display this year. Two companies agreed to do this with no further charge to the City. The panel decided to pick between those two. At this time, the panel recommends Great Lakes Fireworks provide our Fireworks Display for 2012.

Mr. Caron pointed out that the fireworks are funded through privately raised funds and the gate fees from the Memorial Park in 2011. None of this money comes from the general fund. This request will award the contract for 2012 with the option to renew in 2013 and 2014.

Motion by Frederick, seconded by Tiseo to award bid for Professional Fireworks Display Services to Great Lakes Fireworks LLC for one year with the option to renew for two more years.

Ayes: All – 6

Absent: Rusie

12. REQUEST FOR APPROVAL OF THE SALE OF HOME(S) ACQUIRED THROUGH TAX FORECLOSURES

Mayor Walby asked that addresses be put on the agenda whenever possible. Mr. Rayes explained that often these are put on the agenda as a standing item to meet the publication deadline which is why the address was not there.

Mr. Rayes explained that this property was acquired as part of a tax foreclosure through Macomb County. He had before and after pictures of the house on Yale between Harper and Little Mack. There was quite a bit of personal debris left behind which had to be cleaned out prior to starting renovations. The kitchen had water leakage and was dated, and it was cleaned up and revised. The bathroom was well used so they had a special company come in and clean it out, and it was then redone. The basement was cleaned out and painted.

Mr. Rayes stated that the proposed sale price is \$103,000 with concessions of \$4,120 back to help with closing costs with a net to the seller of \$98,880. We had a total investment of just over \$73,500. There were two offers made, and this was the better offer with fewer concessions to the buyer. We are recommending this sale tonight.

Mayor Walby said the bottom line for us is \$93,030 with the real estate fees and FHA title deducted. We have \$73,633 invested, so we are netting about \$20,000. This is part of that group of tax foreclosures.

Mr. Rayes said that this is the second home that we have sold from that group. There are issues on the Evergreen home that need to be resolve, and he will be back with that one. The house on Rosebriar is for sale. The house on Amherst is just about done. The house on Alger is about one month away. These are all being tracked separately for Council and the Finance department. Most of these homes had personal items left behind and some of this was of value, so we did receive some additional revenue from these homes. This house also had two vehicles in the garage which we could not sell but we worked out a deal with our towing company who took them to auction. This is all shown on the spreadsheet.

Mr. Caron asked if the new owner will be occupying the home. Mr. Rayes said that the new owner will be occupying the home.

Mr. Hughes commented that the second quarter budget amendment will show expenses we have incurred to fix these homes. This will be an artificially bad number and the number will get better as we get rid of this inventory.

Mr. Frederick said that he appreciated the creativity used on making money off of these discarded items. He is aware that this is not an NSP project. What we are trying to do is to make a profit off of these homes that we had to take.

Mr. Rayes said that there were 16 homes in this batch. They were all market-grade homes. There are no subsidies from the government and no income qualifications which are all the things you would see in an NSP situation. This is all being done by staff. We intentionally did bid packages smaller than \$10,000 so local business could get these jobs.

Item 12 Cont'd.:

Mr. Hughes stated that it would be easier to just hire a contractor to take the whole job and take care of it, but we have broken it down so that our small area companies can bid on these. We are 4 ½ months away from our new list of homes available. Mr. Rayes handled the selling of the salvageable items flawlessly. It was done openly and ethically.

Motion by Frederick, seconded by Rubino to approve a request to sell 20913 Yale in the amount of \$103,000.

Ayes: All – 6
Absent: Rusie

13. CONSENT AGENDA *Items shall be considered without debate by motion and vote of Council, unless a member of Council specifically requests action taken separately on said item*

Motion by Caron, seconded by Frederick to approve the Consent Agenda items a – f, which include the following:

a. Bills

March 5, 2012 \$2,149,775.65

b. Fees - None

c. Progress Payments – None

d. Approval of Minutes - None

e. Receive & File Boards, Commissions & Committee Minutes

<u>Minutes</u>	<u>Meeting Date</u>
Election Commission	February 8, 2012
Library Board	January 19, 2012
Memorial Day Parade Committee	February 2, 2012
Police & Fire Pension Board	January 26, 2012
Police & Fire Health Care Trust Board	January 26, 2012

f. Receive and deny claim of William Yasbeck vs. City of St. Clair Shores and refer to the City Attorney for response

Ayes: All – 6
Absent: Rusie

14. UPDATES AND FOLLOW-UPS FROM COUNCIL MEETING

Weekly Ad Papers – Mr. Hughes said that we have had several communications with the publisher who contracts out the delivery. We have seen improvements, but there are still a couple areas with continuing problems. If a resident experiences problems with delivery please contact Mary Jane D'Herde in Communications. There will be significant changes if this continues to be a problem.

Housecleaning – Mr. Hughes said this is the time of year when homeowners, landlords and renters do housecleaning. They empty furniture, do home renovations, etc. and need to dispose of those items. One home had a large amount of debris left in the public right of way several days before scheduled trash pickup. We gave the property owner 24 notice that they were in violation of several ordinances and that it needed to be cleaned up. They did not respond so we went out and cleaned it up. This is the kind of thing that leads to blight and it negatively affects the other residents. I am asking our residents to be considerate about putting out debris and complying with ordinances.

EPA - Mayor Walby announced the EPA Town Hall meeting will be March 6th in Council at 7:30 and at the Library 10 a.m. to Noon and 4 p.m. to 6 p.m.

Little Mack – Mayor Walby said that there are 5 x 5 white panels on Little Mack by 10 Mile that have cracks and we should alert AEW that these need to be repaired. Mr. Rayes said that he will make sure that they are on the list. These are covered by warranty.

Item 14 Cont'd.:

Benches at 9 Mile and Harper - Mayor Walby asked if these will be installed this year. Mr. Rayes said that these two benches have been ordered and they will be installed this spring.

Boarding Up Homes – Mayor Walby said that we are working on addressing this. Mr. Rayes said that he will be sending letters to the boarding companies we use. He will look at the ordinance to see if changes need to be made to it.

15. COMMENTS BY INDIVIDUAL COUNCILPERSONS

COUNCIL MEMBER VITALE said that he was the Council person who called in the home with the garbage. That was a Monday morning on a street with a Friday pickup. He sees this all too often. This should not be done to a neighborhood. It makes the neighborhood look bad and brings down property value. This property owner is going to get a substantial bill from the City for the cleanup.

Mr. Vitale announced the Senior Center raffle for their meal program. There were 40 tickets sold to the 175st Wing of the Maryland Air National Guard. Ms. Rusie is selling these tickets. They have sold over 1,000 tickets already.

COUNCIL MEMBER CARON announced the EPA meetings tomorrow regarding the PCBs. It will be an open house setting and representatives from the EPA and Michigan Department of Environmental Quality will be available to answer any questions. He will be there as well. Everyone in the affected area should have received a newsletter in their mailbox already and should check it out.

Mr. Caron stated that the Dog Park Committee currently has two openings. Anyone interested in joining can fill out an application at the City Clerk's Office.

Mr. Caron asked for an update on NB Sports at 9 Mile where their front window has been boarded up for about a month. Mr. Rayes said that they were issued their permit the Friday before President's day. He will check to see if they have done the work and called for an inspection.

COUNCIL MEMBER RUBINO said that he heard a carryout restaurant in the City may possibly be a sit in. Mr. Rayes said that is Frank's on the Avenue, and they were told to find more parking in accordance with the City ordinance or operate with the two high-top tables and remain a carry out. We are trying not to just shut them down.

Mr. Rubino commented that we did extra to help them, and they assured us that it would not be a sit down. Now, it is very discouraging because they are taking advantage of the situation.

Mayor Walby asked Mr. Rayes to follow up on this and let us know in the next two weeks.

Mr. Rubino stated that he has had complaint calls on solicitors in general. They are coming after dark. They are rude and pushy. They do not wear identification. He thinks that we should be tougher on them. He told one resident to call the police. Mr. Hughes said that he has spoken with the Royal Oak City Manager regarding their ordinance, and he will be making suggestions on our ordinance.

Mr. Rubino announced the St. Clair Shores Business Expo will be held Saturday, April 4 at Rogers School.

COUNCIL MEMBER TISEO mentioned that two rental properties on his street were emptied out. One was picked up by Waste Management but the other one was not. He called Mr. Rayes and the second one was cleaned up that day. Mr. Rayes said that he had passed the call to Mary Jane D'Herde and she contact Waste Management. These were put out on garbage day and were cleaned by the end of that day.

Mr. Tiseo asked if dusk is too late for soliciting. Mayor Walby said this will be covered in their discussion on solicitors.

COUNCIL MEMBER FREDERICK commented that at 10 Mile Road between Little Mack and Harper south of Stephens there is a mess of concrete that needs to be fixed.

Mr. Frederick announced the South Lake 8th graders are raising money for their Washington DC trip by having a bake sale and raffle in the Middle School gym on California just east of Harper this Friday from 5:30-8:30. Admission is \$1. There will also be approximately 30 vendors. On March 25 from 1 pm to 5 pm at the Barrister Gardens, the Lake Shore Athletic Department is doing their 3rd Annual Tastefest. Cost is \$15 advance purchase and \$20 at the door.

16. CITY MANAGER'S REPORT

Mr. Hughes reminded everyone that there will be a National Passport Fair on Saturday, March 10 from 10 a.m. to 3 p.m. at the City Hall at the City Clerk's Office.

17. AUDIENCE PARTICIPATION (5 minute time limit)

Chuck Hall, St. Clair Shores Resident, said that he is disappointed that selling fireworks at corners by transient vendors was endorsed by someone on Council. He also spoke about how door-to-door solicitation has been an issue for him since 2005. He recently had a contractor knock on his door and tell him he had a bad roof which was replaced two years ago. This contractor ignored his no soliciting sticker. These transient sales people have actually gone through CDI to circumvent the Clerk's Office by getting a handbill permit and our residents suffer for this.

Frank Maiorano, St. Clair Shores Resident, spoke out about how the City will manage the money for the renovation of the court house and about how money was managed through the NSP program. These are public funds and should be managed responsibly and with transparency.

Erin Stahl, St. Clair Shores Resident, spoke about the control of spending on pensions. She believes many things require a trip to the arbitration table. The City should hire a professional negotiator, video tape the contract negotiations and make video available after the contract is signed.

Don Lopsinger, St. Clair Shores Resident, spoke about Korean and Vietnam Veterans, Communism and Marxism.

18. MAYOR'S COMMENTS - None

19. ADJOURNMENT

Motion by Frederick, seconded by Caron to adjourn at 10:03 p.m.

Ayes: All – 6
Absent: Rusie

KIP C. WALBY, MAYOR

MARY A. KOTOWSKI, CITY CLERK

(THE PRECEEDING MINUTES ARE A SYNOPSIS OF A CITY COUNCIL MEETING AND DO NOT REPRESENT A VERBATIM RECORD).